

Egypt and the Initiative (one belt- one way)

Brief:

❖ One belt, one way or so-called belt and way initiative: is a Chinese initiative built on the ancient Silk Road ruins in the nineteenth century which connect China to the world, to be the largest infrastructure project in the history of mankind, which is concerned with infrastructure, education, building materials, Motorways, real estate, power grid, iron and steel.

❖ This is called the "Silk Road of the 21st Century" initiative, referring to the similarity between the Chinese initiative and the ancient Silk Road linking China to Europe.

- ❖ This initiative involves more than **68** countries.
- ❖ The project includes two main branches: **6** land corridors and sea corridor.
- ❖ The sea corridor extends from the Chinese coast through Singapore and the Indian Ocean to the Mediterranean Sea through the Red Sea and the Suez Canal to Europe. So far, China has been investing in some **42** ports along the route of this corridor, where the Suez Canal area and its shipping corridor being an essential part of it.

Axes and objectives:

The initiative included several axes:

Commercial Hub:

China wants to maintain export markets and open up new export markets.

Monetary Axes:

China is seeking to increase trade in the Chinese currency, because this will reduce the cost of trade exchange and reduce the risk of exchange rate fluctuations for its companies.

Geopolitical Axes:

Formally, the initiative aims at reviving ancient land and maritime trade routes, but inwardly the tracks target a huge human mass.

Funding:

China has spent \$ **210** billion so far to implement the project.

Impact on the Middle East:

The most important feature of China's foreign policy in the Middle East is its focus on pacifying the region, which is usually characterized by instability, because of wars and internal revolutions, by supporting the ruling regimes, regardless of their nature.

The Belt and road Initiative in Egypt:

The initiative contributes to developing Egypt through large-scale infrastructure projects in various fields.



- In construction, a **385**-meter skyscraper, the longest in Africa, is being built in the new administrative capital of Egypt.
- Implementing the express train project, which will connect the new administrative capital with the other new cities around Cairo.
- The Completion of constructing three solar power stations with a total capacity of **186** megawatts as part of the Binban Solar Power Complex, in Aswan governorate, Egypt.
- Constructing the first clean-coal power station with a production capacity of **6000** megawatts in the Hamrawin area on the Red Sea coast.

- China has also finished the necessary studies to start soon the construction of a major pumped-storage hydropower plant in Mount Ataka in northeastern Suez province, with a capacity of **2,400** megawatts.
- Cooperating with State Grid Corporation to build about **1,210** km of high voltage transmission lines, as well as cooperation with other Chinese companies in the field of smart meters.
- Developing a total area of **7.23** square kilometers with investment cost of **350** million dollars in the economic zone of the Suez Canal in Ain Sokhna, Suez.



- Many Chinese companies have been attracted to the Suez Canal Economic Zone, including China's Jushi firm for fiberglass, which has helped Egypt become one of the world's largest producers and exporters of fiberglass.
- The volume of inter-trade between China and Egypt under the initiative reached a record high of **13.87** billion dollars in **2018**, while Egyptian exports to China reached **1.8** billion dollars for the first time in the history of the trade exchange between the two countries.

